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CONCEPTUAL EVOLUTION OF "CAPITAL IN PROCESS" IN "FOUNDATIONS OF THE CRITIQUE OF POLITICAL ECONOMY"

By Kiyooki HIRATA*

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Introduction : Existence of Problems

The draft of 1857-8 known in the title of *"Foundations of the Critique of Political*

* Professor.

Economy”** is a draft thesis directly connected with “the Critique of Political Economy” which is the first writing of political economy by Marx, and it is also a preliminary note which first provided for “*Capital*” which would become his principal work. This draft was not scheduled to be published directly in its form but it was a record of self-expression or selfconfirmation for himself.

The draft was a trial by Marx of systematic development of critical conceptual grasping of capital, a thing, as the reversed subject in the modern bourgeois society. In other words, it would be, for him, the conceptual development of immanent critique against the bourgeois economic system where his own residence was settled, and it is also a record of the efforts of critical ingestion from forerunning scholars who have mediated the said system in the theoretical history. This study note written in the “seven note books” is, no doubt, not only a confirmation book of the affirmation succession from forerunning controversialists who contain not a few theoretical and thoughtful idologues of the bourgeois system, but also an impeachment book of the theoretical critique against them. Over fifteen years have already elapsed since we began to examine these series of drafts. During this period, the study of this uncompleted draft has afforded not a little contribution to our recognition of “*Capital*”. Upon looking back the entirety of this draft, now being based on the results, I cannot help thinking that this study represents, to us at present, important points of recognizing “*Capital*” which have been overlooked by studies of “*Capital*” since the prewar period. Of course this does not mean that any specific matter relating to these points has never been discussed at all. However, it seemed to me that the representation of these points as themselves or as the “theoretical” basic themes of “*Foundations*” has not found up to the present.

I hope to represent these themes with the entirety of this paper. Since the representation requires the disclosure of not a few related points, I will straightforwardly indicate basic themes of the problem even with a slight fear of faulty expressions before considering these complicated points in detail.

In political economy until now, “Capital is conceived as a thing, not as a relation” (*Foundations*, p. 258). Although capital is the relation in itself, “capital is a mere relation by no means, but a process, in whose various moments it is always capital. This process therefore to be developed” (*Foundations*, p. 258). Besides, capital is “unity of production process and circulation process”, that is, “unity-in-process” (*Foundations*, p. 620) and also is self-realized in “the relation in process” as such. Thus, this very self-realization must ultimately be described as constituting the reality of capital.

What the description is sought about is capital given the term of “capital in process”. This capital category called “capital in process” was first established in “*Foundations*” and its movement determinations as the basic category going through “*Capital*” (the whole of three-part constitution), the masterpiece of Marx, itself had been pursued by him until his later years (until 1880/81 when the eighth draft of Part II of “*Capital*” was written).

** Karl Marx, *Grundrisse, Foundations of the Critique of Political Economy*. translated with a Foreword by Martin Nicolaus (London. Penguin Books. 1973), (Hereafter as *Foundations*, p. xx. But the translation is partly changed by present writer.)

The establishment of this basic category in "*Foundations*" must be confirmed at present. It is a category which has been passed over in the study of "*Capital*" up to now, so that it must now be taken up for the consideration from the viewpoint of history in formation or theory.

This paper intends to grasp the general or integrated subject in this bourgeois society in the movement as the entire process and especially to elucidate critically the relation between its immediate production process and circulation process (Chapter 1 of this paper), the individual category development in its circulation process (Chapter 2) and the self-realization as its relation in process.

Before going into the contents, I would like to introduce here a certain matter which tells the subject itself from the reverse side in order to promote the focusing of interests in the problem by readers.

"*Foundations*" is a draft where Marx first represented the category of "surplus value", as anybody may approve if he is said so. It was also in "*Foundations*" that Marx first used this word as an economics term.

Whilst I will again describe in Chapter 1 of this paper, I hope to suggest here that this term keeps the original meaning of "increased value" as a daily word on the one hand and yet is given his independent intention as a theoretical category by Marx himself on the other hand. In other words, this term represents the determination of the surplus value as an objectification of surplus labour which Marx himself created by critically succeeding from classical economics. Even yet, this term continues to keep an original meaning of a non-conceptual increased value shown as a daily word or the total amount of profits and interests as the "fruits" of capital. Based on these grounds, the conceptual grasping of critical unification of both meanings has been tried in "*Foundations*".

After all, the production and circulation of the surplus value in the aggregate have been laid on the table for critical consideration. In this unified grasping of production process and circulation process, the study of "the general form of surplus value" in the social production process must, at the same time, critically elucidate the differentiation into various circulation categories through the price realization in the circulation process of the surplus value in this general form.

This is inseparable from the movement as the self-maintenance through the self-multiplication of capital value and constitutes a real state of the process, that is, the relation.

Certainly in this meaning "*Foundations*" intends to elucidate critically capital and surplus value as a whole. It intends to do so as 'a relation' and also as 'a process' and, therefore, 'as a relation in process'. Here is the core of the whole problem.

I Immediate Production Process and Circulation Process of Capital in Process

1. Presentation of the Theme of Capital in Process

As known well, "*Foundations*" is composed of the following chapters stated after the "Introduction" characteristic of its methodological proposition:

'II Chapter on Money'

‘III Chapter on Money as Capital-Chapter on Capital’

[Part 1 Production process of capital]

[Part 2 Circulation process of capital]

[Part 3 Capital as bearing fruits]

‘I Value’

As understood clearly at a glance here, “*Foundations*” intends to elucidate critically that the “money” as a thing is in process as capital-thing and is realized as “what bears fruits”. It also intends to try critical establishment of the “value” concept on the base of those critical statements.

It is hereby understood that the critical self-understanding of monetary-thing as living in the movement of “capital in process” elucidates the nature of substance of value and the character of form of value as the “fruits” of unified result of this movement and therefore, capital is nothing but the evolution of “value” concept in its own movement.

“*Foundations*” intends to achieve the theoretical organizing of such understanding, where it can be said, by translating daringly with a conceptual tool arranged in “*Capital*” published later, that the circuit of money capital (M.... M’) has appeared there as a theme. If, however, such a descriptive statement is now used, it must be confirmed that this formula of the circuit of money capital not only expresses the movement subject of money capital itself but also describes a general evolution of the circuit of capital.

When it is now intended for capital to be grasped neither as a thing nor as a mere relation in “*Foundations*” or for capital in process to be grasped as a whole, this capital in process appears to the public as money, that is, capital as the circuit of capital first of all. Accordingly, it is allowed to maintain that “*Foundations*” establishes consideration of the circuit of money capital as the primary target; provided, however, that it should be positively maintained that this circuit of money capital is a plain expression of the circuit of capital in general.

We are now taking notice of the fact that “*Foundations*” would pursue the circular process in general as the movement of the “capital in process”. In this case, Marx has already learned critically from classical economics and criticized the exclusively fixed character of the circuit formula of money capital. Thus, the theoretical standpoint is established to criticize and overcome the fetishist or fantastic character of the exclusively fixed formula, M.....M’. In other words, this means an attention to the individuality of the circuit of productive capital and a fundamental critique to the formula, M.....M’ by the formula, P.....P.

This very visual base of the circuit of productive capital finalizes a meaning of the “immediate production process” of capital in “*Foundations*” and elucidates the theoretical scope of the production of surplus-value in the process. Thus, the labour theory of value has been founded more fundamentally as a principle of system. In this sense, it can be said that the circuit of productive capital plays the main tone in “*Foundations*”.

It is not only for the meaning of critique but also for the pioneering of a new horizon more positively in two directions that the movement of capital in process is grasped as the movement in the circuit process of productive capital and that the fetish character of money or money capital is thereby criticized.

Firstly, the evolution of the circuit of productive capital, $P \cdots P'$ arouses consequently and onesidedly the circuit process of C' (commodity-capital) as a product of P . Then, $P \cdots P$ along with $C' \cdots C'$ comes to show the movement of increasing capital value as a circular movement. In other words, the movement as $P \cdots P'$ is evolved.

Secondly, the evolution as $P \cdots P'$ of $P \cdots P$ connotes, as in the case of the evolution of $C' \cdots C'$, that the surplus value embodied in new surplus products c must be realized as additional capital. Accordingly, the additional money must then be transformed into an additional portion of the money capital. Wherever $P \cdots P$ and $C' \cdots C'$ may be the movement of accumulation, they display their own movement as $M \cdots M'$ and also give a real basis anew to $M \cdots M'$ that is, the circuit of money capital.

While this will be elucidated being based on the unique way of evolution of "*Foundations*" in the description hereafter, "*Capital*" indicates more clearly and plainly as follows: (This is daringly quoted to assist readers' understanding of the above in this paper.)

The circuits $P \cdots P$ and $C' \cdots C'$ present themselves as $M \cdots M'$ only to the extent that the movement of P and C' is at the same time accumulation, hence to the extent that additional m , money, is converted into money-capital. (*Capital**, Vol. II, p. 108)

I hope that readers will pursue this again.

Here, we must confirm that the three categories of circuits of "capital in process" are mutually related. Now capital in process in "*Foundations*" is becoming formally thematic as $M \cdots M'$ and its substance is being understood as $P \cdots P$. Inside this movement of $P \cdots P$, another movement of $C' \cdots C'$ is peeped out and, sometimes, looked through.

It is characteristic of "*Foundations*" that the totality in process of these three circuits are pursued at the same time as the movement of capital turnover. Among studies of the circuit or turnover process, the "relation in process" or the "unification in process of social capital" will be sought.

As such, we are now given "*Foundations*", which is worthy to study even at present and provides a great scope of new consideration.

2. "Immediate Production Process" as a Creating Process of "Surplus Value in Production"

Capital in process is capital to pass through the production process and the circulation process and the value "to self-increase (*Verwerten*)" there.

In this description, "*Verwerten*" connotes both creation of the surplus value in the production process and its realization through the circulation process. When the term of circulation process is grasped exclusively as the circulation process of value, it is discriminated from "*Verwertungsprozess*" as a creating process of surplus-value and defined as "*Entwertungsprozess*" as a deprivation process of value. On the other hand, "*Verwertungsprozess*" is defined as the "original production process" in emulation of the above.

This self-increasing value, that is, capital (M) as capital in process realizes itself as

* Karl Marx, *Capital, a Critique of Political Economy*, (Moscow, Progress Publishers, 1966), (Hereafter as *Capital*. But the translation is partly changed by the present writer.)

the "results or fruits" of the process i. e. movement (m). Namely, an expression as the result, $M+m=M'$ tells about the own character of capital. In this case, the original capital or value (M) is "universal or general equivalent" wherever it appears on the commodity world. Therefore, this (M) possibly or potentially embraces all goods in the commodity world as its own use-value. ("Money is labour time in the form of a general object, or the objectification of general labour time, labour time as a general commodity." (*Foundations*, p. 168))

At the same time, however, this universal equivalent is not only the unified value expression the relation of commodities at the same time but also the unit, that is, the "unified standard (Einheit)" for value comparison in the movement (in the logical or natural time series) of capital in process. Since the "equivalent" in this sense is just given in a visible manner of the money-form, the "self-increasing" of this value as equivalent can be told.

Now, assume that the total amount of the capital value expressed according to this standard is "100" and its components are "50 for materials, 40 for labour and 10 for tools", then this "original capital" produces a certain plus value or it self-increases.

If the plus value consists of "5% interest" and "5% profit", there is given a "price" shown in the nominal number of "110". This price is a cost consumed in the production itself for the capitalist and his necessary expense, so that it is "the production costs or the necessary price".

Of course, this production cost of 110 is larger than various costs in the immediate production process ("various production cost") of 100.

It is generally said on capital in process that "the production cost=110, not 100". (*Foundations*, p. 315)

In this case, from where is this plus value of 10 produced? This "10%" value increment might be obtained, for example, by selling possibly in 10% higher price in a foreign trade. Also in case of domestic sales, the article could be sold in higher price as a strategy in the general circulation of commodities. "The surplus value [Mehrwert] would then be purely nominal, fictious, a convention, an empty phrase". (*Foundations*, p. 315)

This seemingly trivial expression is the very first sentence where the term of Mehrwert appears in "*Foundations*", which contains this term first among all works written by Marx himself. The term of Mehrwert, when grasped as the increased value, is nominal, fictious or a convention in its daily concept and nothing but a mere denomination. As such, however, its own existence is not theoretically assured. So long as it provides for the equivalent as the standard, the value itself as the equivalent does not produce any surplus value. Money as the equivalent can originally produce the increased value only by moving in process as capital and passing through the production process. On this occasion, the increased value is the marginal value exceeding "various production costs" and nothing but the value created in that process.

That is nothing but objectification of labour time exceeding that existing in the original component of capital, that is, "surplus labour-time". Thus, here is properly obtained conceptual grasping of the "productive process" as the original value increasing process of capital in process. So long as this production process is the labour-process, it comes into

question how various factors of use-value of capital materialized in that process, that is, "machines", "material", "instrumental goods" (auxiliary stuff such as coal and petroleum) and "labour" are composed. In other words, various factors of the productive capital come properly into question as reflection of the definite technical foundation. Here, it should be noted that the "labour" plays a role of the sole direct mediator of value increase of capital, while capital components other than the "labour" only transfer their value into new products. There is now given a sharp distinction between the "variable capital value" and the "constant value", namely, their categorical discrimination. At this instant, the mere increased value up to then is redefined as the "surplus value from production [Mehrwert der Produktion]" (*Foundations*, p. 378). Accordingly, the following proposition is raised:

"Surplus value can never sprout out of the equivalent; nor can it do so originally out of circulation; it has to arise from the production process of capital itself". (*Foundations*, p. 324)

Thus, the "production cost or necessary price" as a result of the real change of value in the production process is compared with the value of the original advanced capital (equivalent). It is made through the realization of such prices in the circulation process. Namely, it is made through the reduction to the same nominal number to enable to compare the value among different points of time by this process.

As a result, the "summary" in process of the movement of capital in process can be obtained as shown below.

No. I

Original Capital	Constant Value:	Value reproduced for wages:	Surplus value in production:	Total sum:	Surplus time and value:	% of objectified labour exchanged:
Talers 100	Talers 60	Talers 40	Talers 10	Talers 110	$2\frac{2}{5}$ hours or 10 Talers ($2\frac{2}{5}$ labour units)	$\frac{1}{4}$ 25%

No. II

Original Capital	Constant Value:	Value reproduced for wages:	Surplus value in production:	Total sum:	Surplus time and value:	% of objectified labour exchanged:
Talers 100	Talers 80	Talers 20 (8 hours)	Talers 10	Talers 110	Talers 10 (2 working days)	50%

These two examples show that quantity of the "surplus value in production" is decided by the difference in the ratio between the constant value part of capital and its variable value part. Numerically saying, the value of $10 = 110 - 100$ defines "profit" in a daily word as an "increment" to the original total capital of 100. Here, the quantity of 10 equal to "25%" of the "value reproduced for wages" of 40 in Example I is redefined as the "surplus value in production" or the "actual surplus value". Likewise, the quantity of 10 equal to "50%" of the value reproduced for wages of 20 in Example II falls thereunder. As described above, the ratio of creation of the surplus value in production differs by

capital. Besides, it may differ by time series even within the same capital. Of course, such a rising organic composition of capital indicates growth of social productive powers. So long as the movement of this capital in process expresses and evolves the growth of such productive powers, it generally shortens socially necessary labour-time. In particular, "the labour-time objectified in labourers" are curtailed. A mechanism to produce the "relative surplus-value" upon the "curtailment of necessary part of a working day" is realized therefrom. (*Foundations*, p. 407)

At the same time, capital itself, which brings about the advancement of such productive powers, pursues the "prolongation of working days until the limit of natural possibility" urged by impulse of overriding its own restriction.

This is based upon the fact itself that the labour-time is divided into the "necessary labour-time" and the "surplus labour-time".

Although the productive powers of labour estranged by capital may ceaselessly rise, this rise itself is always provided to keep a certain level and the necessary labour-time is shown to individual capitalists as a given premise as far as it may concern. Namely, they exist as a social coercion for capital. Conversely speaking, the quantitative limit of surplus labour-time is always given to capital as a predetermined condition. However, capital must overcome this given premise, as it is capital itself.

"The quantitative boundary of the surplus value appears to it [capital] as a mere natural barrier, as a necessity which it constantly tries violate and beyond which constantly seeks to go." (*Foundations*, pp. 334-5)

Thus, capital hereby pursues extensive prolongation of labour-time and "forced labour" exceeding its natural limit. Creation of the "absolute surplus value" (*Foundations*, p. 408) is evolved along with the relative surplus value. This creation of the absolute surplus value is the active true character of capital as in opposition to the labour (labour power) and nothing but activation as the economic process of class antagonism originating as a social relation. Marx in "*Foundation*" has grasped the movement of capital as the creation mechanism of the relative surplus value eminently from the standpoint of productive powers and, at the same time, persistently as evolution of social productive powers. At the same time, he has disclosed the special capitalistic true character of creation of the absolute surplus value in its relation in process. This has founded a base for critique to the classical political economy, especially the Ricardian economy, which was acquainted with the relative surplus value but not acquainted with the absolute surplus value.

It is now "directly" disclosed, in the provision of production process as "the original production process" and as the "combination" between the relative surplus value and the absolute surplus value, that capital is neither a thing nor a mere relation but is a process. Repeatedly indicating, money, which is the universal equivalent as the capital value, actualize its universal, productive and class character in the original production process discriminated from the original circulation process. The "surplus value" as the "value exceeding equivalent" is created in this very process. As such, capital in process is now grasped conceptually, which is the value to prove the class antagonism in its general process in the movement. As such, it is the "capital in general" (which is capital as reverse universality).

3. Categorical Evolution of Circuit/Turnover Theory of Capital in Process

We are now standing before a task of considering, in the "total process," "capital in process" which has performed activities to increase the value in the "original production process". In other words, we are now standing before a request of considering, as the total process (circuit/turnover in the total) first of all, the "unification between the original production process and the original circulation process".

For such request, "*Foundations*" provides the basic visual base to respond to it and its categorical evolution.

It is the capital circulant and the capital fix, and also their categorical determinations. We hereby disclose this visual base in its theoretical main items by analyzing three determinations of two major categories founded on the base.

Before its detailed consideration, we would indicate that this basic visual base discloses the movement of capital as the circuit and turnover process and the simultaneous evolution of this circuit and turnover process. At the same time, we would also indicate that it discloses the accumulation process near by and the reproduction and circulation structure (formula) of the aggregate social capital far away and further the realization process of value as the "production cost".

On the basis of these preliminary remarks, I will hereunder give detailed descriptions.

(i) First definitions: "*Capital circulant*" and "*Capital fix*"—Disclosure of capital categories in the circuit theory

In "*Foundations*", Marx named "capital in process" which we have pursued up to now "capital circulant" suggested by Shorch and Ramsey. While this term in French was literally translated into "zirkulieren des Kapital" in Germany, he often described in French.

That is capital as the "unity-in-process of production and circulation" (*Foundations*, p. 620), and also capital as something which is "circulating from one form into the next". It is a "subject which maintains and redoubles itself in such movement ('circuit')", a "subject of the movement" as such a thing, and a "subject which progresses, in a circular field of movement, as a circle to enlarge itself as a spiral". (*Foundations*, p. 536, etc.) Accordingly, it is also the "value in process" moving or circulating while self-increasing as capital. (*Foundations*, p. 546)

Marx gives this the remarkable following note:—"All capital is originally circulating capital [capital circulant], product of circulation, as well as producing [produzierend] circulation, tracing in this way its own course". (*Foundations*, p. 536)

We hereby afford the term of "circulating capital" as English translation to the category to be provided in such a manner. When such category of capital moves, it passes through the process of various stages, phases and moments. If capital is retained in some parts of such process, it is defined as the "fixed capital (*Capital fix*=*fixes Kapital*)".

The term "fixed" therein used means "to continue to exist by being assigned" on a certain moment. (Suppose "the fixer") Accordingly, this "fixed capital" constantly exists as "commodity capital, money capital, capital as conditions of production" (*Foundations*, p. 678) in concrete.

The fixed capital may be regarded as an opposite concept to the above-mentioned

circulating capital, as far as they are categories of the circuit theory. "Actually fixated capital, fixated in one of the different particular aspects, phases, through which it must move". (*Foundations*, pp. 620-21). This is nothing but the "fixed capital" or "not-circulating capital".

The "circulating capital" and "fixed capital" reviewed in the above are, in themselves, corresponding defining existences of one capital. Repeatedly indicating, they are not "particular two kinds of various capital" and display the discrimination between the subject in the total process and the constant existence of the partial process.

It is also to perform the unification in the total process including the original production process and the original circulation process in the mutual definitive or opposite relation, and it is the contradictory unification process between the "production period" characterized by the value-increasing process and the "circulation period" as the devaluating process. In this sense, it posits a bourgeois time concept as the process of "economic cycle" or industrial cycle. As indicating the class or bourgeois "universalities", in this sense, not of "particular two kinds of various capital" but of "one kind of capital", the category of circuit (or turnover) theory is hereby posited as "capital in general". Here, we would confirm the following paragraph of *Foundations*: — "It is extremely important to grasp these aspects of circulating and fixated capital as specific characteristic forms of capital generally, since a great deal many phenomena of the bourgeois economy—the period of the economic cycle, which is essentially different from the single turnover period of capital . . . [would otherwise be] incomprehensible". (*Foundations*, p. 623)

It is now critically understood that bourgeois time turned into bones inside the bourgeois economic system as the total of economic cycle is a self-contradictory process (or time continuance) where "capital circulant" and "capital fix" move.

(ii) Second definitions: Fixed capital and circulating capital—Disclosure of capital category of turnover theory

The capital category of the circuit theory reviewed above falls under the capital category of the turnover theory in its actual form. There is a situation that the process to maintain and increase the capital value is inseparable with the existence mode of various forms of use-value as the "flesh of capital". In other words, the movement or process of the capital value is the process of current of the "subjective soul of capital", and the current of this "soul" is materially mediated by its proper constitution factors in the labour process, that is, labour means ("labour tools" such as "machines") and labour object ("material" and "working goods" as auxiliary stuff) and, besides, the mode of being of "living labour". So long as the movement of the circulating capital pulls "products" in any mode of production other than the capitalistic mode of production into the course of the capital circulation through the general circulation of commodities, these "products" together with products provided by capital are laid on the table for consideration in these material relations. These products are mainly "means of subsistence" with exception of something used as material ("material products"). These products include "material which is also production tools" in addition to being material products.

Thus, the "capital as means of subsistence (products), material and working tools" hereby presents proper problems as "particular mode of being of capital".

Here exist two types of circulation or reproduction process side by side. One is the mode of being of the circulating/fixed capital in the conversion process of the shape of use-value itself. While this relates to the definition of the necessities of life or "supplies" for labourer which will be mentioned in the next clause, it is necessary to indicate here firstly. It is the process where home-made or foreign-made (or colonial-made) means of subsistence, that is, "products" such as various kinds of foodstuffs and drinks, both home-made and foreign-made "material products" (hemp, raw cotton, silk, wool, niter, potassium salt, etc.) as mentioned above and "materials and metals which are also production tools at the same time" (lumber, iron, copper, lead, auxiliary production means and materials), into which capital is metamorphosed through the general circulation of commodities, are metamorphosed into various production means and labour (power), and where materials, auxiliary stuffs, etc. are transformed into new products by utilization of working means such as machines by means of "labour". It should be said that this is the process of the realistic or substantial turnover of material shapes. In this process, machines themselves are not substantially incorporated into the new products and still remained in the production process. On the contrary, materials, working goods and labour (or supplies) are embodied into the products and walk out of the production process. In this sense, they are defined as circulating capital.

The turnover process as such material conversion process is process of the circulation and turnover of value of such various capital factors. This is another phase of process going side by side. Here, machines etc. circulate just as "perennial value", and it is reproduced in the value of the new products.

From this viewpoint, capital just as fixed capital is incorporated into the products not as use-value but as value only. On the other hand, materials, working goods, etc. are incorporated both as use-value and as value. Accordingly, "fixed capital circulates as value It does not circulate as use value. As far as its material aspect is concerned, as a moment of the production process, fixed capital never leaves its boundaries; is not sold by its possessor; remains in his hand. . . . This distinction between form and content, use value and exchange value, does not take place in circulating capital". (*Foundations*, p. 680); "the use value of circulating capital has remained in the product as the latter's substance [or substratum], and has merely obtained another form". (*Foundations*, p. 682)

It is the very special feature of the capital definition as its turnover or circuit that the above-mentioned two types of process exist as one body. The discrimination between the fixed capital and the circulating capital, which is suitable to the description of such "flesh of capital" constitutes the "particularity of capital".

We are hereby given, as particularly defining the universal and bourgeois character of the "capital in process", the following package description: — "Particularity of capital: circulating capital, fixed capital. (Capital as the necessities of life, as raw material, as instrument of labour.)" (*Foundations*, p. 264)

(iii) Third definitions: Large-scale circulation and Small-scale circulation—Simultaneous objectification of circuit visual base and turnover visual base

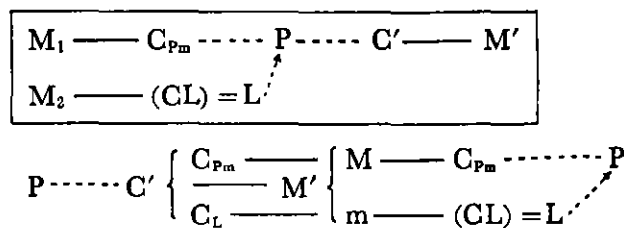
There is a type of particular partial circulation process among process of capital circulation which we are now considering. It is process of the small-scale circulation between

capital and labour capacity which is directly the process to introduce subjective factors of the production process to the production process. It is process appearing as the free and equal "contract, exchange and communication forms" between labourers and capitalists, but it is only modal or formal. Money, which a labourer obtains in exchange with his labour capacity, must be transferred to the means of subsistence to maintain his own personal existence, but this means of subsistence, which is exclusively in the hand of the capitalist class, is nothing but what labourers themselves had produced in earlier times. Accordingly, money to be paid to a labourer is nothing but an order security for which he receives a definite part of his own products by his own labour. Living materials, which it metamorphoses into, are ceaselessly "coming into the circulation process" from the production process and "never walking out from the circulation process to the production process". What enters in the production process is labour capacity fostered by these living materials. In turn, the value of living materials come into the production process as the value of this labour capacity. Thus, the products useful as such means of subsistence are defined as "approvisionnement" named by Chervulier.

The "small-scale circulation" as circulation of this "approvisionnement" takes a form of free and equal contract and exchange as indicated above, but in reality "the laws of private property—liberty, equality, property—property in one's own labour, and free disposition over it—turn into the worker's propertylessness, and the dispossession [Entäußerung] of his labour, [i. e.] the fact that he relates to it as alien property and *vice versa*," (*Foundations*, p. 674)

We can find originality of the small-scale circulation in such "turning", which is a character as the universal attribute of capital in process. We are hereby given a proposition of the "universality of capital—capital and labour (mediated by other's labour). In addition to this small-scale circulation, metamorphosis of the advanced money capital to various production means ($M \rightarrow C_{pm}$) and metamorphosis of the products having performed value increase i. e. the commodity capital to the money capital ($C' \rightarrow M'$) are movement of capital in process outside the production process and prepare resumption of the production process along with the small-scale circulation.

This movement is illustrated as follows:



The large-scale circulation as illustrated above is "capital time in opposition to labour time (and production time)," which is devaluation time against value increasing time. The circulating capital against the fixed capital is redefined as living through the opposite time process. Reversely, the fixed capital "comes out of large-scale circulation, certainly, but does not return into it, and in so far as it circulates, circulates [as value] only in order to be consumed in, confined to, the production process." (*Foundations*, p. 678) While "the

approvisionnement is circulating capital $\chi\alpha\rho' \epsilon\acute{\xi}\omicron\chi\acute{\gamma}\nu$ " (ibid.) in the small-scale circulation, the fixed capital and the circulating capital exist in parallel in the large-scale circulation. Reviewing them in total or in the total process, capital is "[posited as] the course.... through its different moments: accordingly, it is posited as being in flow; as circulating" on the one hand. On the other hand, "so far as the continuity is virtually interrupted [in each of these moments], and may resist the passage into the next phase,.... the various modes of this fixation consitute.... commodity capital, money capital, capital as conditions of production". (*Foundations*, p. 678)

Now, capital in total process is shown as $M \longrightarrow C \begin{matrix} \swarrow P_m \\ \searrow L \end{matrix} \dots\dots P \dots\dots C' \longrightarrow M'$ on the one hand and $P \longrightarrow C' \longrightarrow M' \cdot M \longrightarrow C \begin{matrix} \swarrow P_m \\ \searrow L \end{matrix} \dots\dots P$ on the other hand. Concerning the relation between these two expressions, it can be said that the former contains the latter and also the latter is developing under definition of the former. The "threefold definitions or modes of capital circulation" reviewed above make categorical evolution of capital or circuit process possible by mutually relating.

4. Mutual Determinability of the Circuit of Money Capital and the Circuit of Production Capital in Capital in Process

Concerning the mutual definability of two types of circuit process indicated above, we would describe anew and analyze what is going therein to tell anew. We hereby recollect that capital in process evolves as the movement of money or standard as the universal equivalent. It has been existence latently to represent the whole commodity world. It has been also the objective embodiment of the human labour in the abstract and the objective existence as such.

Now, the capital is in opposite to the labour. The capital as "separation of property from the labour" is, in itself, the social or objective expression of relative split with and opposition to the labour.

When the capital as such is opposed to the labour, the latter is abstract labour. "The labour which confronts it [capital]subjectively has the same totality and abstraction in itself." (*Foundations*, p. 296)

The capital redefines actually the commodity world by turning this abstract and total labour into its own subjective element and by beginning production with "products" of the labour incorporated within itself as labour means and labour objects. This affords substantial basis for the commodity value. Thus, the total and abstract labour as the value substance is regarded as a principle of the world. Though such circuit or process, the very capital generates as the "capital as money". Besides, this process establishes the universality of commodities or monetary value. It is nothing but the realization process of universal character of capital.

In this regard, Marx expressed as follows in "*Foundations*".

"Capital is by definition money, but not merely money in the simple form of gold and silver, nor merely as money in opposition to circulation, but in the form of all substances-commodities. To that degree, therefore, it [money], as capital, exists apart from money precisely only in use values. These, its substances themselves, are thus now

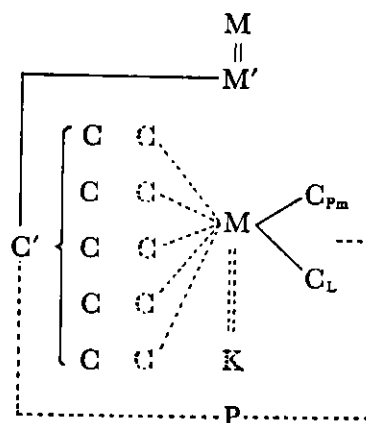
transitory ones, which would have no exchange value if they had no use value,.... the substance of capital is itself use value,.... [and].... all commodities,.... their communal substance as commodities and hence exchange values, is this, that they are objectified labour." (*Foundations*, pp. 271-2)

Indicating that it is the capital actually to define, in the total, the labour as this substance of value, Marx emphasizes the following:

"Only with capital is exchange value posited as exchange value in such a way that it preserves itself.... [and] constantly realizes itself in other substances or a totality of them and not loses its specific form, but rather preserves its identity with itself in each of the different substances. It therefore always remains money and always commodity [by means of this capital]. It is this only because it itself is a constantly selfrenewing circular course of exchanges." (*Foundations*, pp. 260-1)

What are indicated here include:—That the money as the abstract universal equivalent becomes the actual universal equivalent in increasing the value; that the value becomes independent through such process; that the value enters the self-relation socially with itself vertically or scheduledly in exceeding that the value is a principle to regulate the horizontal relation on commodities (abstract world of commodities) by means of the above; and namely that the movement (or circuit) of capital in process is the truth of capital.

The above statements are expressed in the following figure



The independence through self-increasing of the capital value herein expressed is the actual position of the world of commodities and also a position as the structural principle of the exchange value. Accordingly, it is nothing but the theoretical evolution of the "universal concept of capital". Concerning this conceptual evolution, just two items should be noted.

Item 1 "Capital measured by itself" or "Capital as the value discriminated from itself".

M' shown in the above figure is $M+m$ and, reversely speaking, M is $M'-m$. Now, m is not a mere increased value as fruits, that is, profits and interests. It is conceptually grasped as the surplus value as produced by the capital value itself. As the value to discriminate itself from it, capital now expresses its universal character in the movement of one lot of capital in process. The "universality" or universal concept of capital is shown in such singleness or "individuality". It is the total consequence of generation as capital

and of the capital generated as its result.

We have hereby theoretically obtained a theme in "*Foundations*" by Marx who had been engaged in systematic descriptions on political economy in preparing the plan of political economy. We introduce a part of headings among the second draft [B] contained in "The Chapter on Capital" of "*Foundations*".

"Capital

1. Universality

- a. Generation of capital out of money
- b. Capital and labour (mediating itself through alien labour)
- c. The elements of capital, dissected according to their relation to labour (Product, Raw material, Instrument of labour)

2. Particularization of capital

- a. Circulating capital and fixed capital; Circulation of capital

3. Individuality of capital; capital and profit; Capital and interest; Capital as value, distinct from itself as interest and profit"

(*Foundations*, p. 275)

I hope that readers of this paper will recollect my explanatory descriptions up to now in staring at each clause of this theme. On this base, I will anew indicate the following.

Item 2 The above-mentioned $M \cdots M'$ circuit process is ensured by the existence of P as clearly shown by the formula itself. However, it is not inexistent even without P. $M-C-M'$ and even $M \cdots M'$ are possible, but $M \cdots M'$ as such posits neither the actual composition of the world of commodities nor the value as the universal principle of system.

It also realizes seemingly independence of value, but it actually exists only in "vacant spaces in the ancient world". As far as capital in process is individual capital carrying the social structure, it must be as an expression of evolution of the productive capital. The circuit must be performed as follows: — "Capital, in the production process, (1) has realized itself, i. e. created a new value (P); (2) become devalued, i. e. made the transition from money to the form of a particular commodity, it (3) realizes itself together with its new value, in that the product is thrown into circulation again, and, as C, is exchanged for M." (*Foundations*, p. 447)

The term of "devaluate" in this quotation means a shift from the monetary form as a conceptual accounting money or accounting unit to the substantial commodity form. Accordingly, the process of (2) above can be expressed in the following formula:

$$\begin{array}{c} \text{M} \cdots \text{C} \begin{array}{l} \nearrow \text{L} \\ \searrow \text{P}_m \end{array} \cdots \text{P} \cdots \text{C}' \end{array}$$

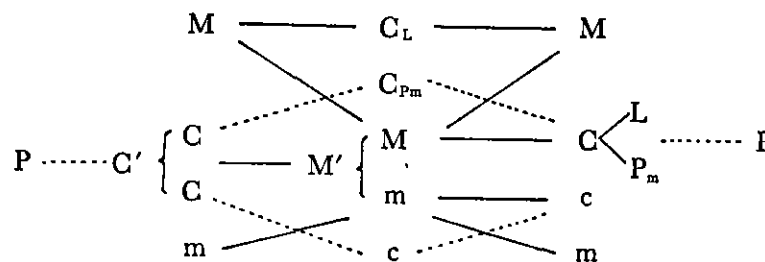
When the third process progresses through the second process as such, there is developed the following formula:

$$\text{M} \cdots \text{C} \begin{array}{l} \nearrow \text{L} \\ \searrow \text{P}_m \end{array} \cdots \text{P} \cdots \text{C}' \text{---} \text{M}' \cdot \text{M} \text{---} \text{C} \begin{array}{l} \nearrow \text{L} \\ \searrow \text{P}_m \end{array} \cdots \text{P} \cdots \text{C}' \cdots \text{M}'$$

What we must confirm in this total process is not restricted to the fact that there is carried out $M \cdots M'$. What is important equally to or more than it is that there is developed $P \cdots P$ and that this affords a basis for $M \cdots M'$. We must take notice of the following warning that Marx gave in "*Foundations*".

"A change of form [Formwechsel] and a change of matter [Stoffwechsel] take place simultaneously in the circulation of capital. We must begin here not with the presumption of M , but with the production process. As regards the material side, a product is created only in the production process. On the market, in the exchange for money, the product becomes object of consumption The retransformation of money into commodity is here, however, at the same time present in the retransformation of capital into the material conditions of production the commodity in turn was posited as a condition of production at the end of it [circulation]." (*Foundations*, p. 667)

The process indicated here can be adapted into the following formula:



It is indicated here that the circuit of the productive capital is, in itself, the capital circulation and, therefore, completes itself actually in pulling the general circulation of commodities within its orbit. This simultaneously involves to pursue the enlargement of the "circulation sphere" along with the "reduction of the time of circulation into the possible minimum" as far as this movement of capital is based on the movement of the production of the absolute surplus value, and it also involves to necessitate the enlargement of the circulation sphere and the production sphere as far as it is caused by the production of the relative surplus value. There are developed the reform of "all ancient mode of production" and the continuous innovation of bourgeois mode of production. This involves the development of social productive powers, the enlargement of the desire contained there and the creation of new types of desire, the discovery and creation of the new use value, and the evolution of human powers to exploit and process them.

At the same time, it is also the process of the universal extension of value definitions by capital and its worldwide spread. $M \cdots M'$ which defines this $P \cdots P$ circuit in the deep part promotes such evolution.

We can hereby confirm the following mutually related matters.

"The *total* production process of capital includes both the original production process and the original circulation process. its movement appears as the totality of these two process. Capital appears as this unity-in-process of production and circulation, a unity which can be regarded both as the totality of the process its production, as well as the specific completion of *one* turnover of capital, *one* movement returning into itself."

(*Foundations*, p. 620. italicized by Marx. underlined by the quoter)

Here is shown that the time lapse as "*one turnover of capital*" (cycle of turnover) is the reproduction process or relation as the "total production process" at the same time.

Accordingly, this one capital in process is posited as the "capital of the whole society" in spite of one capital. As such, it is capital as capital in general or universality.

II Reproduction/Circulation Process of Capitals in Process

We have considered up to now the movement of capital in process in its "universal concept" or as capital in general, and pursued this capital in general as one capital or one individual capital cherishing the universality.

It is because the grasp of the "capital itself" as the objective expression of the "separation of property from the labour" or the "social disintegration between the subjective moment and the objective moment of the labour" is nothing but the critical self understanding of capital.

The capital as such is "negation of the identity of the labour and the property and it is nothing but "material expression of the social oppositional relation between the working class and the capitalist class as the opposition between the labour and the capital."

However, capital is not only the objective expression of such confrontational social relation, but also the "inclusiveness of various definitions discriminating itself from that as mere value or money" and the inclusive generating process of these definitions itself. Namely, it is the very "originating process" of itself. "This dialectical process of its becoming is only the ideal expression of the real movement through which capital comes into being" (*Foundations*, p. 310). Because of this, we observe here the "capital as a relation to be discriminated from mere value and money" as the "capital in general".

This originating process is now grasped as the unification of the production process and the circulation process of capital in process, namely, as the circuit/turnover process.

This circuit/turnover process is the process of time series "economic cycle" and the "total production process" at the same time. We have confirmed this at the end of the preceding section. Now we take notice that this also relates to the following: —It is that the circuit/turnover process of the individual capital in process is the reproduction process as a continuous process by being the unification of the production process and the circulation process and, at the same time, that it is the social reproduction process formed with other capital connected in its process evolution itself.

Here is a basis for the necessity of the theoretical research on the movement of many capitals beyond the theoretical pursuit of the movement of one capital in the pursuit of capital in general.

1. "Particularity" of Capital

Up to now, we have deliberately tried to persuade as follows: — "The many capitals are not yet present for us." (*Foundations*, p. 729); and "The differentiation etc. of capitals does not concern us yet." (*Foundations*, p. 346). We have also emphasized and confirmed that capital in general is not mere abstract but "realistic abstract." It was because "if

I regard the total capital of e. g. a nation as distinct from total wage labour (or, as distinct from landed property), or if I regard capital as the general economic basis of a class as distinct from another class, then I regard it in general". (*Foundations*, p. 852)

Now, the theoretical pursuit of capital in general arouses not only consideration of the movement of a single capital but also theoretical consideration of the movement of capitals. It also requests unique consideration as conditioning particularly the universal nature of capital and as defining the "particularity of capital". Accordingly, Marx, who had tried to define as the plan preparation the categorical order of economic recognitions, registered considerations of various movement modes in the definition of "particularity" in "*Foundations*".

What he selected as these various movement modes are: "(1) Accumulation of capitals; (2) Competition of capitals; (3) Concentration of capitals". Concerning these modes, Marx of "*Foundations*" ceaselessly imposed acquisition of new materials on himself. On the other hand, he regarded that these matters are in the definition of the "particularity" and beyond the scope of his planned work (later "*Capital*") and refrained from describing such matter to the utmost. Nevertheless, he reversely confirmed that such various movement modes "correspond to the concept of capital" in their essentials and described a memorandum of the confirmation. This may support beforehand the inevitability of incorporating such matters into the planned work.

Accordingly, "*Foundations*" often writes about continence on the one hand and contains many descriptions like a kind of depravity on the other hand. We can find delicate parallelism in the methodological attitude of capital in general.

I will hereunder arrange summarily descriptions by Marx concerning three modes of the movement of accumulation, competition and concentration as enumerated above. What I find therein is the importance of indicating matters to be within the scope his work, aside from indicating matters beyond the scope. Focusing on this point, therefore, the minimum explanatory descriptions will hereunder be given.

(i) Accumulation of capitals

The surplus value is transformed to the "surplus capital" in the circuit/turnover process of capital in process. Needless to indicate anew, the formation of such additional or new capital requires the course of repeated cycle of turnover. During this period, the surplus value must be concentrated. In order that the surplus value may be totally transformed to the surplus capital, additional production means and additional labourers are necessary. Capital in process must always find them outside itself as its own external moments. It must find them in products of other capitals outside itself and in products of non-capitalistic modes of production, which are pulled in its orbit by it and appear in the general circulating of commodities. In this sense, the accumulation as formation of the surplus capital requires foreign trade and world market as indivisible complement. It belongs to the internal necessity of the turnover/circuit as the process or relation of self-maintenance and self-enlargement of the "capital flesh" or physical existence.

However, capital stands before the necessity and inevitability to reproduce such external moments as internal factors, and always tries to realize it. Accordingly, develop-

ment of the transportation and communication media and credit means is promoted to compensate the shortcomings of the enlargement of distribution spheres and the resulting prolongation of distribution period.

At the same time, the growth of social productive power of labour accompanying the accumulation results in "decrease of relative necessary labour" and "posit of relative surplus population", and produces overpopulated class including lumpen proletarians and the needy poor. Then, capital reproduces its own necessary population law.

Various elements to mediate this process such as "the minimum of production scale" of capital, "minimum of its enlargement" and "contraction of the market" etc. are premised on "the [concrete] process of many capitals". Accordingly, they are to be beyond scope of his work, but the production of surplus population itself is logos of capital in general. It is apparently an important matter within scope of his work.

This is the same also in the following point. When the accumulation process is evolved as a partial process of the circuit/turnover process, if the initial advanced capital (original capital) value is produced by its owner's labour, the capital value inverts the objectification of unpaid labour of other persons through repeated cycles. The inversion of the law of appropriation is advanced there. Concerning this point, many writings since my work "Economics and Historical Recognition", Chapter I "Circuit/Accumulation Theory and Historical Recognition" discuss this and its elucidation is going on. Accordingly, I will leave the detailed descriptions on this matter to them and hereunder indicate the methodological meaning included in it.

The accumulation process advancing as an inversion process of the law of appropriation is a dialectic process of creation/generation of capital. Then, "the accumulation is laid already in the independent opposition of the objectified labour to the living labour, namely, in the independent continuance of this opposition. This accumulation, necessary for capital to come into being, which is therefore already included in its concept as presupposition—as a moment—is to be distinguished essentially from the accumulation of capital which has already become capital [investment movement such as interest and profit], where there must already be capitals." (*Foundations*, pp. 319–320)

As seen generally, there are hereby posited with some discrimination the accumulation as corresponding to the "universal concept of capital" the accumulation which should individually be evolved as the "particularity of capital". The evolution of social production powers of labour estranged or alienated into an alienated movement mode of the accumulation of capital through these total process to be critically elucidated. The inevitability of appearance of overpopulation as surplus population and the objective possibility of overproduction (crisis) are critically taken into sight.

(ii) Competition of capitals

Competition historically appears as "the dissolution of compulsory guild membership, government regulations, internal tariffs and the like within a country" and "the lifting of blockades, prohibitions, protection on the world market." (*Foundations*, 649) It is actually a process to impose on capital itself the dialectic that "many capitals compel intrinsic determination of capital to each other and also to itself." Such mutual compulsion is

nothing but "modes of competition of capitals". As far as the labour is subsumed under capital, "mutual competition of labourers are nothing but another mode of competitions of capitals". Concrete features of the competition are beyond the scope of capital in general, but the following must hereby be confirmed: —"Conceptually, competition is the very inner nature of capital and, therefore, its essential determination. It is also nothing but internal tendency as such external inevitability. (Capital exists as many capitals and can not exist as any other forms. Accordingly, the self-determination of capital appears as their reciprocal interaction with one another.) Capital is just as much the constant positing as the suspension of proportionate production. The existing proportion must always be suspended by the creation of surplus value and the growth of productive powers." (*Foundations*, p. 414)

As shown here, competition, on the one hand, promotes movement of capitals "to pursue excessive productivity, excessive consumption without limit" (*Foundations*, p. 413) and causes social rhythm to seek its solution in the world market. Besides, it domestically necessitates "distribution of total surplus value" (*Foundations*, p. 435) among the ruling classes through that process. On the other hand, it is the "relation of capital to itself as another capital, namely, "the real relating action of capital as capital" (*Foundations*, p. 650) and it is included in the universal concept of capital as such.

While the latter belongs to the problem sphere of capital in general, the former is arranged as beyond its pale and its concrete modes must be pursued. Nevertheless, they are also essentially regarded as belonging to capital in general more originally. "The tendency to create the world market is directly given in the concept of capital itself." (*Foundations*, p. 408) The distribution of the total surplus value, before belonging to the "Competition" part, must be incorporated into the scope of his work as the immanent law in capital, namely, as a problem of forming general profit ratios.

Likewise, comparison between the "market prices" of products of capital and prices of its elements, before belong to the "Competition" chapter (part), must be interpreted still as decisive to capital in general.

Appendix: On "world market"

It is now well known in the status of study in Japan that Marx of "*Foundations*" included creation of the "world market" in the concept of capital in general. Emphasis on this point in the circuit/turnover process is especially brilliant in the descriptions of "*Foundations*".

However, it must not be overlooked here that "*Capital*" published later also emphasized this point in its circuit theory. I will hereunder quote its most important indications for precaution's sake.

"A feature of the circulation process of industrial capital is an overall character of the origin of commodities and is the existence of the market as world market. What is true of foreign commodities is also true of foreign money. Just as commodity-capital functions only as commodities for foreign money, so foreign money functions only as money for commodity-capital. Here, the money functions as world-money" (*Capital*, Vol. II, p. 110)

It must be known here that the world-money theory is realistically based by the

world-market theory in the circuit theory.

(iii) Concentration of capitals

Marx indicated as follows by quoting from "History of the Middle and Working Classes" by John Wade:—"Capital is stored up industry, provided to develop itself in new and equivalent forms; it is collective force" (*Foundations*, p. 585).

Accordingly, the accumulation, as far as it may be quantitative increase, means "concentration of means of subsistence, materials and tools into the hands of a particular man or, in a word, concentration as concentration of money as general form of wealth". Such "concentration in objective form" is accompanied by "concentration in subjective form" in other aspects. In other words, "the accumulation of labour powers under the direction of the capital and its concentration into one point" "go side by side." (*Foundations*, p. 585)

The concentration of this objective production factors and subjective factors into the capitalistic private property realizes, as power functions of capital, "collective power of labourers" or "social power of labourers" through the "concentration of exchange by capital" or "collective exchange and concentrative exchange". Such capital to be the "unity as concentration of labourers arising outside labourers in opposition to labour" is the very "capital itself" and, as such, "the concentration is included in the concept of capital". (*Foundations*, p. 590)

The concentration in this sense is discriminated from "concentration or centralization for many capitals," but this concentration as corresponding to the general concept of capital must determine also the concentration as the particularity of capital. Even though, therefore, the latter modes are positioned beyond the scope of capital in general and pursued as such, the former universal sense must be confirmed.

In the concept of the "concentration" in this sense, the formation of the "universal scientific labour," "technological applications of natural science," and the "universal productive power arising from social composition of the total production" is included even in the reversed feature as capital. Accordingly, the "transformation from simple labour process to scientific process in the production process" is also included.

Accordingly, "possession of universal productive force by labourers themselves, knowledge by labourers themselves for the nature, and control of the nature through their presence as a social body—development of social individuals in one word" (*Foundations*, p. 705) are shown in the reverse relation in the concept of the concentration in this sense. This is a plain expression of the fact that "capital itself is a contradiction in process." (*Foundations*, p. 706)

(iv) Definition of "particularity"

We have been considered various movement modes of capitals in process, which are overlapped partial process developing in the circuit/turnover process. It is characterized by the "qualitative discrimination" of capital by its "special characters of use value, that is, by its modal determination. Therefore, the quantitative discrimination is also given on this qualitative discrimination. In this sense, it indicates characteristic of the "flesh of capital".

By this, the more the movement of capital such as accumulation, competition and concentration pursues and acquires concrete determination as the movement of "many capitals", the more social productive power of labour, universal productive power of labourers themselves and development of labourers themselves as social individuals—these three are indicated in the movement of capital in the reversed feature—are going to be disclosed.

Such disclosure is hidden behind evolution of the visible modes of movement such as accumulation, competition and concentration, but its evolution is not discontinued. Such immanent tendency includes, as its ultimate process, that "labour in the direct form ceases to be the great well-spring of wealth, labour time ceases and must cease to be its measure". (*Foundations*, p. 705) The above-mentioned modes of movement exist as mediating particularly an undercurrent of gigantic history.

2 "Individuality" of capital

The absoluteness of the social and universal existence indicated in the reverse relation by the capital as "particularity" observed in the preceding class is indicated, also though reversely, quite individually by respective capital as "credit," a "joint stock company" or a "financial market".

A research on individual and concrete modes of these capitals as "individuality", like those of capitals as "particularity" shown above, has been regarded beyond the scope of the work under planning ("*Capital*"), but its social and universal nature has been included in the internal sphere of problems of this work.

I will hereunder give its minimum description in the same manner as the case of "particularity".

(i) "Capital as credit"

The capital as credit is the "capital appearing as a universal factor in opposition to individual capitals". (letter to Engels dated April 2, 1858) It is also "universal valuation" for the "personality" as a private owner in the modern bourgeois society. When Proudhon argued desperately in the debate with Bastiat in his "Gratuitous character of credit" (1850) that "loan differs from sale", he believed that he could persuade someone the universal character of the modern bourgeois society as credit economy. In reality, however, he could not find out "bourgeois false character" of credit. (*Foundations*, pp. 843-5) As far as it concerned, it was in the same category as the following descriptions by which Charles Coguelin admired credit. "The rapid transformation of total quantity of commodities to be sold from the immovable products status to the active capital status is just a fruit realized by credit.... Thus, credit can multiply business of industrialists by hundred.... Credit makes this possible by the increase of purchasing power.... among all people. Credit reserves this purchasing power for one holding payment capability at this time and it gives, in turn, this payment capability to everyone who ensures future payment in its status and character." (*Foundations*, p. 841)

Such reversely universal nature of the credit should be reserved in promoting externally research for its individual capital mode. Studies of various credit systems provide

an important factor as capital as financial markets mentioned later.

(ii) "Capital as joint stock capital"

This is the "most accomplished mode of capital which will collapse under the communism." (aforecited letter to Engels) When "competition" as "particularity" of capital "integrated mutual actions of capitals as individual capitals into one mutual compulsion or law, it sublated the seeming independency and self-sustaining existence of individual capitals. However, this sublation is made within credit, and the final goal of this sublation is the joint stock capital, which is, at the same time, nothing but the final position of capital in the mode adaptable to capital." (*Foundations*, pp. 657-8) It is the self-managed association by labourers estranged to the capital fetish and, therefore, conceives objective possibility to suddenly change to communism.

(iii) "Capital as money market"

"The money market...includes the discount market; in general the loan market; hence money trade, bullion market. As money money-lending market it appears in the banks,...then also as the market in all interest-bearing bills: state bonds and the stock market." (*Foundations*, p. 280)

Although the concrete study of these matters as individuality is beyond tasks of the days, the following matter may be put within sight. It is stocks, bonds of public corporations included in the credit system mentioned above.

Stock markets are roughly divided into those for: (1) "Stocks of money institutions themselves," (2) "Stocks of public utilities enterprises such as gas and water supply" (bonds of public corporations), (3) "Stocks of commodity custody enterprises such as docks" and other stocks of general commercial and industrial companies, (4) "Stocks of various insurance companies" and (5) "National and foreign bonds". (*Foundations*, p. 280)

Details of these studies also exceed scope of capital in general, but "capital is posited in its totality in the money market, where capital is to determine prices, to employ labourers and to regulate production." (*Foundations*, p. 275) In other words, capital as money market governs the total bourgeois structure, determines prices of all commodities including land, arranges subjective factors of labour and regulates production in all industrial sectors. In this sense, it is the "production source", and, at the same, the direct mediator of the form of state in the upward perspective. Thus, "the joint stock company and the financier are the mediator at the highest level between the state and bourgeois society". (*Foundations*, p. 332)

This reverse individual universal being is just direct expression of the capital fetish and it conceals meaning of productive labour as true production source by generally establishing false qualification as "production source". This must be secured in the scope of the very "*Capital*".

3. "Reasoning Manner" to Treat Capital as an Active Middle Term—"Capital as Regulating Prices"—

Here, we must take notice that capital as individuality becomes to have special

relation to land ownership and wage labour when it reveals its reverse universality.

First, the "capital as money market" creates a special form of wealth as an economically realized form of landed property (Form of wealth discriminated from the capital itself in a particular mode). It creates "rent" as a "creator of values". (In this case, the rent means directly the differential rent, but the absolute rent is also intuited at the same time.) This also inferred from the following definitions of rent.

"The rent is a unique value creation by capital as the value discriminated from capital itself and also from production proper to capital." (*Foundations*, pp. 275-6)

Capital as a creator of such special "value" is now defined as "capital to determine the value".

Capital in this definition plays an important role. As contained in the descriptions given just above, "capital is, from its nature and from the historical view, both the creator of modern landed property and the creator of rent", and thus it is also the "creator of modern agriculture". (*Foundations*, p. 276) This includes creation of wage labour through such modern landed property. Thus, here is realized a reasoning manner to treat capital as an "active middle term", that is, the reasoning manner of "(landed property—) rent—capital—wage labour". This reasoning manner can also be expressed in the reverse order, that is, "wage labour—capital—rent". This is "because capital of capitalists discontinues being capital without wage labour and one of premises of such wage labour is to be expensive as the capitalized rent and, as such, to be the landed property to eliminate direct utilization of land by individuals, i. e., the modern landed property." (*Foundations*, p. 278) We hereby confirm the particular and even universal role of capital as creating value or price of "rent". We will take notice that Marx himself has indicated in this regard as follows:

"Capital as creating rent thus returns again to the production of wage labour as its universal and creative basis. Capital appears from circulation and posits labour as the wage labour. When capital thus reaches its perfection and develops in its totality, it posits the landed property as its opponent and, at the same time, as its condition. However, it is apparent that capital has only created the wage labour as its own universal premise by this process, so that the wage labour must then be considered by itself." (*Foundations*, pp. 278-9)

This is "universal establishment of the wage labour as a basis of every disturbance" and also the sublation of itself as wage labour. That means "negation of landed property by capital, that is, negation of an independent value [rent] by capital" and also negation of the wage labour as wage labour realized through just being negation of capital itself". "Negation of landed property and negation of capital through landed property from the side of wage labour are the wage labour which intends to posit itself as an independent being." (*Foundations*, p. 279) It is the labour which the labour negated its individuality by capital in the social labour as itself not to be estranged by capital reposit as an "independent being". There is development of the "positing of individual labour as social labour and vice versa." (*Foundations*, p. 264)

Such transformation throughout the society is now developed beyond the state and on the regeneration of the worldwide related market. Thus, here is grasped the general

concept of the "Plan of political economy" in which the theme consisting of a series of "capital, landed property, wage labour" connects to the second theme consisting of another series of "states, foreign trade, world markets".

On such basic conception, the following plan can be understood as our own idea for us. The triad of "universality—particularity—individuality" in Hegel's "Science of the Logic" indicates its own categorical development as the triad of the original of "*Capital*". It is no more a mere categorical table for us.—We will anew command a whole view of it, a part of which we have already known.

"Capital

I Universality

1. a. Generation of capital from money
 - b. Capital and labour (which is mediated by other's labour)
 - c. Various factors of capital separated according to the relation with labour (products, materials, labour tools)
2. Particularization of capital
 - a. Circulating capital and fixed capital; Circulation of capital
3. Individuality of capital; Capital and profit; Capital and interest; Capital as value, discriminated from itself as interest and profit

II Particularity

1. Accumulation of capitals
2. Competition of capitals
3. Concentration of capitals (quantitative distinction of capital as at the same time qualitative, as measure of its size and influence)

III Individuality

1. Capital as credit
2. Capital as joint stock capital
3. Capital as money market

In this money market, capital is posited in its totality, and it is to determine price and to regulate labour. Speaking in a word, it is the production source. However, capital not only as producing itself....but also as the creator of value must posit a form of value or wealth discriminated from capital in a particular form. It is rent. (Capital as determining value)....

[Landed property]

Capital is, from its nature and from its historical view, a creator of modern landed property and also a creator of rent.

[Wage labour]

Negation of landed property by capital and negation of capital by itself. But its negation is wage labour, and then negation of landed property and negation of capital through landed property on the side of wage labour are the wage labour which intends to posit itself as an independent being."

(*Foundations*, pp. 275-79)

This is Part II (B) of the plan of the chapter of "Capital" in "*Foundations*". As we

have already known, this plan shows that the bourgeois society as the "organic system as totality" makes, if it find its necessary conditions as external, then obey itself or produces them by itself, and it thereby performs self-negation in generating to its own totality. Marx has given the following remarks in this regard:

"In the completed bourgeois system, every economic relation presupposes every other in its bourgeois economic form and every posited factor is presupposition of other factor, this is the case with every organic system. This organic system as the totality becomes... historically a totality. The process of becoming this totality forms a moment of the development of the process itself (including self-sublation)." (*Foundations*, p. 278)

As seen here, the plan of political economy is a territory where the dialectic of historical negativity grasped under critical self-understanding of the capitalist society as modern bourgeois society is evolved. It is an understanding memorandum on items to be written and their order but a kind of critically adapted "Phenomenology" and "Logic" which disclose that the logical and historical evolution toward totality itself of the bourgeois society as totality mediates its own self-negation. Marx tried to write such monograph and to contribute to social formation of theoretical class consciousness through its publication.

Note: In this regard, please refer to my essay, "Plan and method of political economy". Readers will see there on what methodological concept the plan of establishing critical political economy for Marx is based. This paper supplements the opinion of M. Rubel therein quoted.

III Social Relationship of Capital in Process

We have already known that, in pursuing movement of capital in process in its "universal concept" or as "capital in general", the dimension where the universality can be discussed in "one capital" and the dimension where it can be discussed in "many capitals" must keenly be discriminated in the categorical evolution of critical political economy and, at the same time, their relation must theoretically be supplemented without cease. Especially, many capitals in determinability of the "particularity" are forming the mutual relation transcending movement of individual capital as the social compulsion to respective capital and, at the same time, are promoting the development of social productive force of labour (or productive force of social labour) and are proving the totally positive significance in the civilization history of the bourgeois society. Then, we have finally known that the movement mode of capital individuality discloses a significance as universal and social factors of capitals even in reverse features in its objective existence.

We have also known that the plan and its explanatory descriptions show that capital holding the triad of individuality—particularity—universality as its total moments reproduces internal tense relation between itself and others such as landed property and wage labour in the whole process to reproduce such moments internally.

Now, we must again pursue, as such, internal relation between one capital and many capitals in capital in general. We have also known that various movement modes of many capitals become an internal factor of one capital in its universal nature and come within range of the writing concerning capital in general ("*Capital*"). However, this one capital

is realistic "abstract" and there is no change for it to be abstract.

It is actually impossible that one capital is immediately capital in general. "A universal capital is insignificant if it has no other capitals, with which it exchanges." (*Foundations*, p. 421)

Now, we must recognize single capital and many capitals not as mere external relation but as affecting the internal essence of capital. Since we are now pursuing movement of capital in process as the circuit/turnover process in conformity with "*Foundations*", such recognition must indeed be established here.

Various related matters on use value as flesh of capital must be satisfied in process within the turnover of capital itself and, at the same time, they must be achieved in the social relation with many other capitals as others to itself. In other words, various elements of the productive capital (materials, tool goods and supplies or labour) must be reproduced in the development of the turnover/circuit process. Then, accompanied by increase of capital value, the intrinsic social material exchange must be realized.

It is current questions that one capital forms, as its own realistic relation, many other capitals for the formative and real transformation which is inevitable in itself as far as it is one capital and also capital; that therefore the performing of the realistic transformation of individual capital becomes in itself a partial movement of the reproduction process of the social capital; and that, in this sense, individual and independent capital generates to the "individual capital" as internal constituents of the total social capital.

This exerts important influence on the plan as the categorical evolution of the movement of capital in process on the determination of universality—particularity—individuality. (This also connotes, with theoretical consistency, relation between capital and landed property, that is, relation between various industrial sectors and modern agriculture, and therefore relation between value and production price, and production price and rent (especially, absolute rent). This gives deep determination in relation between various "plans" on Part I and "plan" on Part III of "*Capital*".

In these two regards, I will hereunder present their main points.

1. Toward the Table of Relation in Process of the Social Capital

We know that "*Foundations*" is equipped with the intrinsic circuit/turnover theoretical category. It is circulating capital and fixed capital. Upon recalling the three determinations mentioned earlier, it is necessary to take notice of the problematic sphere presented as mutual reflux or reproduction between circulating capital and fixed capital while taking notice of the second determination (turnover determination). Although this is situation which we have already known, I will hereunder, by way of precaution, quote the explanatory descriptions disclosed by Marx as follows.

I hope readers will read over these descriptions, taking into consideration that they are focused on the material transformation process of various production elements.

"Taking the production process of capital into consideration, every capital returns only in a kind of circulating capital form. Accordingly, renewal of fixed capital is possible only by fixation of a part of circulating capital and, therefore, by use of a part of materials created to produce fixed capital and consumption of a part of labour (so that a part of

supplies is also exchanged with living labour). . . . A part of circulating capital has only the use value for reproduction of fixed capital and is produced only for fixed capital. (The production in this case would be only time required for relocation). However, renewal as capital of fixed capital itself becomes possible only through the process that fixed capital becomes a value element of circulating capital and thus various elements of fixed capital are reproduced through transformation from circulating capital to fixed capital. . . . Circulating capital enters as use value into fixed capital, just as does labour, while fixed capital enters as value into circulating capital; and, as movement (where it is direct machinery), as static motion, as form, into the use value". (*Foundations*, pp. 734-5)

Here, the ceaselessly reproduced process of the material substratum as the objective condition of labour and of the material "approvisionnement" of labour as its subjective factor is expressed, being mediated by value determination, as the relocation process of value (connoting development of the value increasing process).

As already seen in section 1 of this paper, we are now considering, on the whole, the productive capital circuit process as determined internally by the money capital circuit, in other words, as the productive capital circuit to renew turnover process. Saying in the unique concept of "*Foundations*", the "capital generated" already as capital is considered. Looking back the "process" from this viewpoint, it will be described as follows:

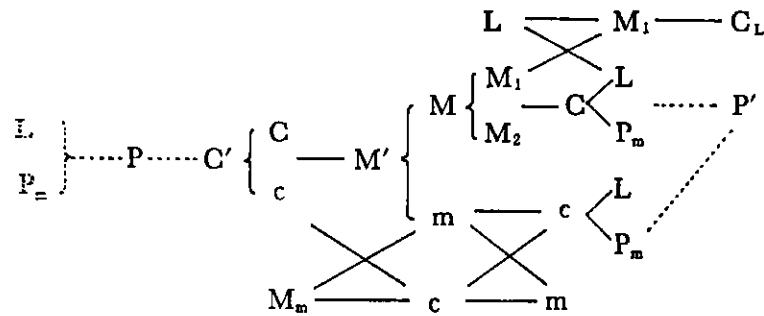
"The phases, where capital passes and a circuit of capital runs, begin conceptionally with transformation of money [M] into the conditions of production $[C \langle \frac{L}{P_m}]$. Here, however, we start not from generating capital but from generated capital, so that the capital passes the following phases:

- (1) Creation of surplus value or immediate production process [P]. Then, its result is products [C'].
- (2) Bringing of these products to market; transformation of products into commodities ["Devaluation"].
- (3) a. Entry of commodity into ordinary circulation; [general] circulation of commodities. The result is transformation to money. $[C-M \text{ and } c-m]$. This appears as the first moment of ordinary circulation.
b. Retransformation of money into the conditions of production is money circulation $[M-C \langle \frac{L}{P_m}]$. In ordinary circulation, the circulation of commodities and the circulation of money always appear, distributed into two different subjects. However, capital circulates first as a commodity and then as money, and vice versa.
- (4) Renewal of the production process [P]. Here, this appears as reproduction of the original capital and as the production process of surplus capital."

(*Foundations*, pp. 618-9)

The above description can be expanded into the following formula:

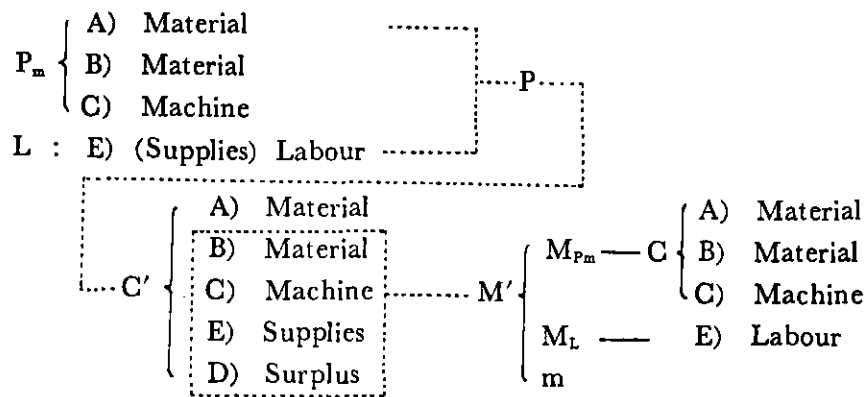
P_m shown in this formula consists of A) material 1, B) material 2 and C) machine, and A means E) necessities for labourers (supplies). In this case, the above formula shows that the individual capitals of three capitalists consisting of A), B) manufacturers of two kinds of material and C) machine manufacturer move individually but with mutual



relation. Fourthly, in this case, the individual capital to produce E) necessities for labourers is necessary. Besides, here is necessary capital of D) surplus producer, that is, the producer of surplus products realizing surplus value produced by the above four kinds of capital.

By the parallel movement of these five sectors of productive capital, these five individual capitals can perform their transformation formally and materially.

Capital in process as individual capital in this sense can typically be illustrated as follows:



This figure shows how the productive capital of material producers promotes its circuit/turnover and C' is a product as single A) material. Along with this capital, four individual capitals move to produce C' in the forms of use value consisting of B) material, C) machine, E) supplies and D) surplus.

Although respective C' is single in use value, it contains in its value in summary other four kinds of products surrounded by dotted lines, from the viewpoint of function appropriate to the concept of "product of capital".

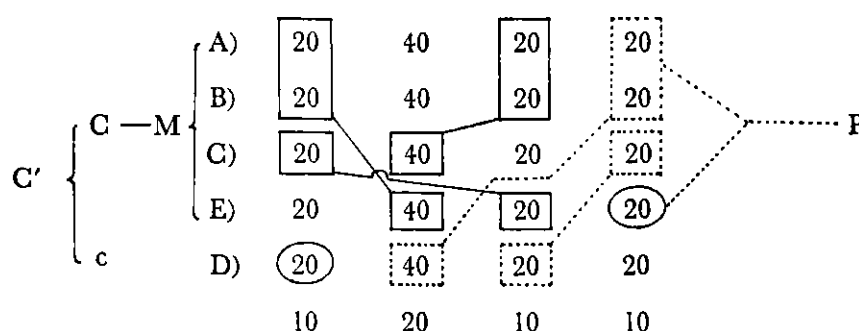
In "*Foundations*" Marx numerically expressed in one table mutual relation of such five

	Wage	Material	Machine and tools	Surplus products
A) Material manufacturer	20	40	20	20 = 100 2½
B) The same	20	40	20	20 = 100 2½
C) Machine manufacturer	20	40	20	20 = 100 2½
E) Necessities for labour	20	40	20	20 = 100 2½
D) Surplus producer	20	40	20	20 = 100
	10	20	10	10

kinds of individual capital. Each capital is 80 and composition of capital to produce products of 100 is equal. Here is indicated external and internal relation of C' produced by each individual capital. In other words, it means the "self-determination of capital as interaction between capitals", whose concept we have already known.

We must indicated first of all that this table lays stress, among other things, on "circulation of surplus value" and "realization of surplus products as use value" and therefore pursuit of the probability of their transformation into accumulation fund. A series of figures at the bottom line in this table show the disruption (sharing) of surplus value into the income and capital. It is consumption goods for capitalists and money for accumulation from the viewpoint of use value.

Taking these matters into consideration, we can rearrange the above table to display the external relation of five kinds of individual capital as internal relation in process developed by one social capital, which is shown as follows:



Looking into this analytical chart with the above table and read the descriptions by Marx, then we can take notice of the following matters on this table:

(i) This table evolves the social relation of individual capitals in process as productive capital in focusing on the categorical discrimination between surplus value circulation and capital value circulation. In particular, it indicates importance of the fact that realization of surplus value is mediated by consumption by labourers. Marx himself has said that this table shows "the only correct relation in which it is possible for capital to realize the surplus value created in production through exchange with the labourer's consumption". (*Foundations*, p. 440)

(ii) This table satisfies the condition of simple reproduction in the productive capital circuit and therefore in the cycle of turnover of capital. This is shown by the relations indicated by solid lines in the above analytical chart. In this case, the surplus means only consumption goods for capitalists and the money may be either money as the medium of circulation or that as means of payment. Sellings and purchases are realized in the reverse relation.

(iii) This table hypothesizes that "only half of the surplus value is consumed" and at the same time, that half of the products of the surplus producer D) are produced in gold or silver not so as to remain unsold. As far as it may concern, accumulation can be attained. Certainly, this table may express the concentration of capital as transformation of (half of) the surplus value of individual capital into new capital. However, a hypothesis

that capitalists lower their consumption fund as income to the half is unrealistic and it is also unrealistic that the half of value of the social surplus products must be transformed into gold or silver in order to realize accumulation in this sense. But it expresses the internal impulse of accumulation for division of the surplus value into income and capital and, at the same time, it shows that the accumulation causes, as an inevitable factor, money hoarding (production of gold and silver in a country or their purchase from foreign markets) as originally determining circulation of the surplus value.

(iv) The following, though included in the above, are independently pointed out. This table intends to describe simple reproduction and extended reproduction in the process of productive capital circuit and capital turnover, and makes an epoch in forming the circuit/turnover theory. Accordingly, it justly suggests that there is concealed the internal tendency to "general overproduction". However, it is not yet a relation table (table formula) of reproduction and circulation of the total social capital, nor its prototype. This is because the social relation (or compulsory law), which is formed by individual capitals internally and yet is independent from them, as such is taken up for consideration, even though the individual capitals, are internally formed, and also because the laws of relation as such are not disclosed numerically.

(v) Although the above matter must be confirmed, this table diagrammatizes social reproduction as simple reproduction at any rate and shows the necessity of social relation beyond direct requests by individual capitals. There is confirmed the existence of social law character as essentially "indifferent existence" for individual capitalists. Besides, it is indicated the very "inner necessity", that mutually determined moments as an indifferent unity included in the "concept of exchange" are being independent on the one hand and must restore their unification on the other hand, brings about a "crisis which puts a forcible end to their seeming indifference toward each other." (*Foundations*, pp. 443-4) It lays a reliable foundation stone to the reproduction formula and further provide elucidation of the "crisis" through the total plan.

2. Dialectic Evolution of Social Totality

We have found several important points at issue in the reproduction table of the turnover/circuit theory in "*Foundations*" which has been analyzed above. Although the points has already shown there, the points themselves are very important and the systematic meaning is gigantic, so that I will hereunder adopt them daringly and explain problems on "Plan of chapter on capital" in "*Foundations*" with relation to them.

(i) Productive capital circuit and commodity capital circuit

In the above analysis of the reproduction table of the turnover/circuit theory, I have seen that the $P \cdots P$ circuit which include material relations fruits as P after evolution of the social total circulation process initiated by $C' \leftarrow C - M$ according to Marx's chart and that it again produces C' . There is the commodity capital circuit practically grasped without noticing as such.

It lacks theoretical room to consider this $C' \cdots C'$ circuit as independent existence

discriminated from the P.....P circuit. However, the "realistic relation of transformation of individual capitals" constitutes "partial movements of the total social capital in the reproduction process", and reversely the reproduction process of the total social capital is formed as satisfying the necessity of transformation of individual capitals. Then, their mutual relation is posited as indifferent existence for individual capitals. Accordingly, this reproduction recognition by the turnover/circuit theory surely does not yet reach the formulaic grasp of reproduction process of the total social capital. However, it is now more clearly recognized here that the research of capital in process in one capital as the capital in general and the research of special function of various movement forms of many capitals belong to different dimensions each other and yet the both approaches of research are very closely related in their internal nature.

When Marx of "*Foundations*" prepared his own writing plan (Chapter on Capital, First plan, Table [A]) especially focused on the "capital" to be therefrom described at the time when he began to write "Chapter on Capital", he knew intuitively necessity of describing the C'.....C' circuit recognition aroused by this P.....P circuit recognition. He noted the clauses of " α Exchange between one capital and another capital; Exchange between capital and income; and Capital and price" as first written under the heading of "Circulation of capitals", and successively indicated " β Competition of capitals; and Concentration of capitals".

He grasped, more plainly as the problem of many capitals, the problem sphere of "capital in particularity" which we have seen in the preceding section, and also grasped the accumulation process as a process to be linked with the circulating process and to be connoted in it. Therefore, he intended to grasp profit and interest to be realized in this circulation process as evolution of the accumulation process within the circulation or circuit/turnover process.

Therefore, this "Chapter on capital, plan [A]" shows more concretely such kind of problematic chain. This corresponds to the fact that this plan is not roughly divided into the triad of universality—particularity—individuality in the chapter on capital.

Here, the existence form of various kinds of capital holding the individuality in Plan [B] is not summarized but paralleled. However, what is therein shown clearly agrees with individual moments in Plan [B] in their contents. It is also clear that the total chapter on capital is posited to constitute moments of the internal totality of the bourgeois society along with landed property and wage labour.

However, this Plan [A] discloses that the "Capital, landed property and wage labour" constituting a theme as one body connect with a theme consisting of "the state", "the state toward the exterior" such as colonies and foreign trade, and "world market", and reach, in the aggregate, "dissolution of the mode of production and form of society based on exchange value" through "crisis" and more positively the "real positing of individual labour as social labour and vice verse.

A brief and clear statement of this ultimate theme concerns what is the meaning of the whole contents of Plan [B], especially the long explanatory descriptions (including that reasoning manner of rent-capital-wage labour) directly following the categorical development table as the plan.

A sight of Plan [A] is hereunder given.

"Plan [A] of Chapter on Capital

[A] Capital

- I-1 General concept of capital.
- 2 Particularity of capital; circulating capital and fixed capital (capital as the necessities of life, as raw material, as instrument of labour).
- II-1 Quantity of capital; Accumulation.
- 2 Capital measured by itself; Profit; Interest; Value of capital, that is, capital as interest and profit discriminated from itself.
- 3 Circulation of capitals.
 - α Exchange between one capital and another capitals; Exchange between capital and income; Capital and prices.
 - β Competition of capitals
 - γ Concentration of capitals.
- III Capital as credit.
- IV Capital as joint stock company.
- V Capital as money market.
- VI Capital as source of wealth; The capitalist.

[B] Landed property

[C] Wage labour

Once these three categories [A, B, C] are assumed, movement of prices will appear. In other words, circulation now determined in its inner totality will appear. On the other hand, the three classes, as production posited in its three basic forms and presuppositions of circulation will appear.

[D] The state

State and bourgeois society—Taxes, or the existence of the unproductive classes—The state debt—Population.

[E] The state toward the exterior, that is, colonies, external trade, rate of exchange and money as international coin.

[F] The world market

Holddown [overriding] of the state by the bourgeois society; Crisis; Dissolution of the mode of production and form of society based on exchange value; Identification of individual labour with social labour and reverse identification." (*Foundations*, p. 264)

What readers have seen above is neither a mere six-clause plan nor enumeration of items of these clauses. They are very "moments constituting the internal totality" in the bourgeois system and provide movement process for each chapter and section. They also disclose conversion of the world history as the totality of bourgeois system. Plainly speaking, they are nothing but dialectic evolution of the social totality.

(ii) Toward Marx's "Economic Table"

Compared with the above Plan [A], Plan [B] of Chapter on capital is based on the clearer Hegelian reasoning manner, so that the conjugate relation of partial segments of

various theoretical categories is clear. Materialistic adaptation of world historical conversion process lodging in the reasoning manner of Hegel's objective dialectic is clearly intended.

Here, the category or proposition suggesting the reproduction recognition of that turnover/circuit theory is not clear in the plan itself. What suggests the $C' \cdots C'$ circuit recognition connoted by the $P \cdots P$ circuit recognition is surely unclear in the plan itself. This is similar to the fact that, though the long explanatory description directly following the plan show the very internal relation among capital, landed property and wage labour, they are ostensibly indifferent this problem on plan.

In Plan [B], explanatory descriptions in relatively long sentence are added on the last clause "capital as money market" in "III Particularity", and there is the world market relation asked while asking where the abstract category of market is inserted.

While the whole social relation of fixed capital such as "machines" is not described, market recognition suggesting social relation of commodity capital circuit is noted.

"The world market is not only internal market in relation with all foreign markets existing outside it but also the interior of whole foreign markets as components of domestic market." (*Foundations*, p. 280)

This can be rereadable as follows:

The relation in process of the total social capital is the process of transformation of individual capital in relation with many capitals existing outside itself and, at the same time, self-relation of all other capital as components of the total social capital.

When rereading as such, it is natural that the reproduction table by the turnover/circuit theory which we have already seen rests on Marx's brain and that it is noted with his pen.

It is not peculiar that it reached Marx's Economic Table (letter to Engels dated July 6, 1863) which consciously pursued (learning Quesnay's Economic Table) the inner relation of the total products C' in capitalist society consisting of two large sectors of the consumption goods production sector and the production goods production sector by noticing to the $C' \cdots C'$ formula concerned in the $P \cdots P$ formula. Marx described in this letter to Engels: "This table is to be put in a chapter of last chapter of my book as summary."

This Marx's "Economic Table", which is his prototype of the reproduction formula, was just the summary of the total movement of capital in process, when it is found; because it disclosed the mutual or unified relation of the total social capital as the self-determination capital in general.

This way to Marx's Economic Table and the formular has significance for the whole system, as clear through our earlier mention. As we have seen up to now, this way began already in "*Foundations*" and next encountered Quesnay's Economic Table adapted by Schmartz in April through June, 1862 (or January through April), and next became, at the time of June, 1862, the two basic axis of construction of political economy at that time along with the theoretical elucidation of absolute rent theory. While solution of the absolute rent theory concluded in 1862 or 1863, the perfection of formulaic theory was brought into his last years. Nay, it did not accomplish more accurately.

What assigned such lifework theme to Marx was a theme of conceptual evolution of

capital in process in "*Foundations*", which led to the very critical adaptation from Hegel's dialectic in "*Foundations*". The realistic development of its theoretical evolution itself sublates the reasoning manner of pursuit of its "universality" concept. Plan of Part I and Plan of Part III of "*Capital*" prepared in January, 1863 indicates evolution of his own real logic to describe totally this "universality" in the dialectic transformation mediated by the circulation process of the "immediate production process" to the "realistic production process".

We have elucidated, including expressions of plans, one and many processes and relations of total unification of capital in process indwelling "*Foundations*" and pursued by it. Since it is immanence to "*Foundations*", it has promoted rediscovery and confirmation of logic of "*Capital*" which has tended to be lost sight of. Such trial of theoretical confirmation may be very roundabout on the critical self-understanding of modern society. In praying that this trial includes theoretical descriptions which should be placed on the basic principal points, I hereby put this paper to the end.